



## DEPARTMENT OF LIVESTOCK

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MARC RACICOT, GOVERNOR

STATE OF MONTANA

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BEFORE THE BOARD OF MILK CONTROL  
OF THE STATE OF MONTANA  
ANNOUNCEMENT OF CLASS I, II & III PRODUCER PRICES

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## PRODUCER CLASS I PRICE IN MONTANA

REF: ARM 32.24.301(3)

## CLASS I PRICE FOR MILK TESTING 3.5%

\$14.17 /CWT

## EFFECTIVE MAY 1, 1999:

The minimum price to pay milk producers, under ARM 32.24.301, is \$14.17 per hundred pounds of milk testing 3.5% butterfat, f.o.b. the milk distributor's plant.

When milk does not test 3.5% butterfat, compute the applicable price by applying a differential of ten cents for each one-tenth of one percent butterfat above or below the midpoint of each producer payment. The value of one pound of butterfat utilized will be \$1.00.

## CLASS I BUTTERFAT PRICE PER POUND

\$1.00 /LB

## PRODUCER CLASS II PRICE IN MONTANA

REF: ARM 32.24.301(4)

## CLASS II PRICE FOR MILK TESTING 3.5%

\$11.08 /CWT

Average spray process dry milk solids

price per pound = \$1.03625  
Multiplied by 8.2 x 8.2

\$8.49725

PLUS +

Last quote of the month for Grade AA butter  
minus a differential of \$.0895

Multiplied by 4.2 x 4.2

\$3.61410

+ \$3.61410

LESS 8.5% ( \$12.11135 X .085)

\$12.11135

- \$1.02946

\$11.08189

Rounded to the nearest whole cent = \$11.08 /hundredweight.

STATE DOCUMENTS COLLECTION

MONTANA STATE LIBRARY  
1015 E. GOV. BLDG.  
HELENA, MONTANA 59620-2001

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**CLASS II BUTTERFAT PRICE PER POUND****\$0.95 /LB**

Butterfat differential	\$0.86050	X .111 )	=	\$0.09552
Rounded to the nearest half cent			=	\$0.095

**CLASS II VALUE OF ONE POUND OF SKIM****0.080362694 /LB**

Butterfat value per pound for milk at 3.5% test:	\$0.95			
Hundredweight price of milk testing 3.5%			=	\$11.08
LESS 3.5 pounds of butterfat at	\$0.95	per pound	-	\$3.325
Value of 96.5 pounds of skim			=	\$7.755
Value of one pound of skim	7.755	/ 96.5 pounds)	=	\$0.08036 /LB

**PRODUCER CLASS III PRICE IN MONTANA**

REF: ARM 32.24.301(5)

**CLASS III BUTTERFAT PRICE PER POUND****\$0.77 /LB**

Last quote of the month for Grade AA butter minus a difference of \$.0895	=	\$0.86050
LESS 10%	-	\$0.08605
		\$0.77445

Rounded to the nearest whole cent	\$0.77	per pound.
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**CLASS III PRICE PER CWT FOR SKIM MILK UTILIZED****7.05272 /CWT**

Avg. spray process dry milk solid price/lb	\$1.03625
Multiplied by 8.2	8.2
	\$8.49725
LESS 17%	\$1.44453
	\$7.05272

Rounded to the nearest whole cent	\$7.05	per hundredweight.
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**CLASS III PRICE PER CWT FOR MILK TESTING 3.5%****\$9.50 /CWT**

3.5 pounds of butterfat	\$0.77	per pound =	\$2.695
96.5 pounds of skim	\$0.07053	per pound =	\$6.806

**\$9.501 /CWT****BY ORDER OF THE MONTANA MILK CONTROL BUREAU**

Compiled by:

*Gary J. Harrel*  
 Gary J. Harrel, Bureau Chief  
 Montana Milk Control Bureau

## BREAKDOWN BY TEST FOR CLASS I, II &amp; III SKIM PRICES

CLASS I SKIM PRICE BASED ON \$14.17 FOR 3.5% MILK 96.5 LBS = \$10.670		CLASS II SKIM PRICE BASED ON \$11.08 FOR 3.5% MILK 96.5 LBS = \$7.755		CLASS III SKIM PRICE BASED ON \$9.50 FOR 3.5% MILK 96.5 LBS = \$6.806	
TEST	PRICE/LB	TEST	PRICE/LB	TEST	PRICE/LB
2.50	\$0.10944	2.50	\$0.07954	2.50	\$0.06981
2.55	\$0.10949	2.55	\$0.07958	2.55	\$0.06984
2.60	\$0.10955	2.60	\$0.07962	2.60	\$0.06988
2.65	\$0.10960	2.65	\$0.07966	2.65	\$0.06991
2.70	\$0.10966	2.70	\$0.07970	2.70	\$0.06995
2.75	\$0.10972	2.75	\$0.07974	2.75	\$0.06999
2.80	\$0.10977	2.80	\$0.07978	2.80	\$0.07002
2.85	\$0.10983	2.85	\$0.07983	2.85	\$0.07006
2.90	\$0.10989	2.90	\$0.07987	2.90	\$0.07009
2.95	\$0.10994	2.95	\$0.07991	2.95	\$0.07013
3.00	\$0.11000	3.00	\$0.07995	3.00	\$0.07017
3.05	\$0.11006	3.05	\$0.07999	3.05	\$0.07020
3.10	\$0.11011	3.10	\$0.08003	3.10	\$0.07024
3.15	\$0.11017	3.15	\$0.08007	3.15	\$0.07028
3.20	\$0.11023	3.20	\$0.08011	3.20	\$0.07031
3.25	\$0.11028	3.25	\$0.08016	3.25	\$0.07035
3.30	\$0.11034	3.30	\$0.08020	3.30	\$0.07038
3.35	\$0.11040	3.35	\$0.08024	3.35	\$0.07042
3.40	\$0.11046	3.40	\$0.08028	3.40	\$0.07046
3.45	\$0.11051	3.45	\$0.08032	3.45	\$0.07049
3.50	\$0.11057	3.50	\$0.08036	3.50	\$0.07053
3.55	\$0.11063	3.55	\$0.08040	3.55	\$0.07057
3.60	\$0.11068	3.60	\$0.08045	3.60	\$0.07060
3.65	\$0.11074	3.65	\$0.08049	3.65	\$0.07064
3.70	\$0.11080	3.70	\$0.08053	3.70	\$0.07068
3.75	\$0.11086	3.75	\$0.08057	3.75	\$0.07071
3.80	\$0.11091	3.80	\$0.08061	3.80	\$0.07075
3.85	\$0.11097	3.85	\$0.08066	3.85	\$0.07079
3.90	\$0.11103	3.90	\$0.08070	3.90	\$0.07082
3.95	\$0.11109	3.95	\$0.08074	3.95	\$0.07086
4.00	\$0.11115	4.00	\$0.08078	4.00	\$0.07090
4.05	\$0.11120	4.05	\$0.08082	4.05	\$0.07093
4.10	\$0.11126	4.10	\$0.08087	4.10	\$0.07097
4.15	\$0.11132	4.15	\$0.08091	4.15	\$0.07101
4.20	\$0.11138	4.20	\$0.08095	4.20	\$0.07105
4.25	\$0.11144	4.25	\$0.08099	4.25	\$0.07108
4.30	\$0.11149	4.30	\$0.08103	4.30	\$0.07112
4.35	\$0.11155	4.35	\$0.08108	4.35	\$0.07116
4.40	\$0.11161	4.40	\$0.08112	4.40	\$0.07119
4.45	\$0.11167	4.45	\$0.08116	4.45	\$0.07123
4.50	\$0.11173	4.50	\$0.08120	4.50	\$0.07127

**PRODUCER CLASS I PRICE IN MONTANA**

Charts below show a class I price comparison for 1998 and 1999

Statistics from the Montana Milk Control Bureau

Month	1998	1999	Difference	% Change
January	\$15.51	\$19.39	\$3.88	25.02%
February	\$15.84	\$19.89	\$4.05	25.57%
March	\$15.80	\$18.82	\$3.02	19.11%
April	\$15.87	\$12.82	(\$3.05)	-19.22%
May	\$15.36	\$14.17	(\$1.19)	-7.75%
June	\$14.56			
July	\$13.43			
August	\$15.65			
September	\$17.32			
October	\$17.54			
November	\$17.65			
December	\$18.59			
<b>Average</b>	<b>\$16.09</b>	<b>\$17.02</b>	<b>\$1.34</b>	<b>8.55%</b>

Prices are per hundredweight (CWT).

